Statement

(i) A policy was announced in December, 1986 for integrated development of software for domestic and export market;

(ii) Double taxation on software has been removed:

(iii) As a major policy initiative, the Government have exempted the earnings, from software export from income tax under Section 80 HHE which is valid now upto 1992-93;

(iv) To give further boost to software export, the Department of Electronics have launched a scheme of Software Technology Park (STP). Software Technology Park is a 100% export oriented scheme for development and export of software using data communication link or in the form of physical export. This also acts as 100% export oriented resource centre for software export units. Under this scheme, the companies can set up their own units. The Department of Electronics through Software Technology Park of India an autonomous registered Society has also set up STPs at Pune, Bhubaneshwar, Bangalore, Hyderabad, Gandhinagar, Noida and Thiruvananthapuram to provide infrastructure support in terms of communication, core computers and built-up space;

(v) The Department of Electronics with the assistance of World Bank got a study conducted on India's Software and Exports Potential and Strategies. This study has been completed and its report has been given wide circulation;

(vi) The Department of Electronics has taken steps to set up high speed data communication telecom network. Satellite Earth Stations are being set up at Bangalore, Noida, Hyderabad, Gandhinagar and Bhubaneshwar;

(vii) In order to impart training to software professionals, the Department of Electronics has started a scheme for permitting import of Computer Systems with 25% duty with no export obligation; and

(viii) Export obligation formula has been rationalised for software exporters operating from Software Technology Parks.

7—148RSS/94

Foreign Investment in Electronics Sector

1250. SHRI KAMAL MORARKA : Will the PRIME MINISTER be pleased to state : (a) whether it is a fact that foreign investment worth Rs. 210 crore in the electronic sector, has been kept in abeyance;

(b) if so, the reasons for not clearing the foreign investment;

(c) what are the details of these proposals; and

(d) the number of foreign investment proposals received in electronic sector and the number thereof cleared so far ?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY, DEPARTMENT OF ELECTRONICS AND DEPARTMENT OF OCEAN DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. R. KUMARAMANGALAM) : (a) to (c) The Government of India, Ministry of Commerce vide their Notification No. 42(N.8)/92-97 September 14, 1992, published in the Gazette of India, notified the Electronics Hardware Technology Park (EHTP) scheme. Under this scheme, 14 proposals have been approved involving Foreign Direct Investment of US $ 23 million (Rs. 70 crores). The details of the approved proposals are given in the Statement (*See* below).

As the scheme has some novel features to ensure that there are no operational difficulties, there has been some time taken in issuing the follow up notifications. The Ministry of Industry has issued the Gazette notification dated 22-2-1993 relating to the scheme under the Industries (Development and Regulation) Act 1951. The Customs notification has been issued on 2-3-1993. The approved units will come into operation shortly.

(d) 21 foreign investment proposals in the electronic sector were received during 1992. All these proposals have been approved by the Government.

STATEMENT

Sl. No.	Name of the Applicant	Foreign Collaborator	Items of Manufacture
01.	Tina Electronics Ltd. . . . Hyderabad	Hai Lin Electric Co. Ltd. Taiwan	Computer monitor tubes.
02.	Wearness Hollings worth . . Bangalore	Wearness Holling-worth Singapore	Connectors, Card assembly.
03.	Qmax Technology (P) Ltd. . . Madras	Qmax Technology (P) Ltd. Singapore	Instruments
04.	Vidyut Cables (P) Ltd. . . . Hyderabad	HTC Engineering Corpn. USA	PCBs
05	Khandelwal Electronics & Finance Ltd. Bombay	DC Components Ltd. Taiwan	Discrete Semiconductor devices
06.	Eastern Laminates Ltd. (MP)	—	Fax cards/ Machines Motherboards Computers etc.
07.	The Yamuna Syndicate Ltd. . Delhi.	FELA PLANUNGS AG Switzerland	Printed Circuit Boards
08.	NCR Corpn. . . . . USA	NCR Corpn. USA	Software and services
09.	Freeport Software (P) Ltd. . Germany	—	Software Development
10.	Daishin (Denken) India (P) Ltd. . Delhi.	Daishin Denken Korea	BF/IF Coils and transformers
11.	Usha Amorphous Metals Ltd. . Gurgaon	Allied Systems Inc. USA	High frequency choke core of various sizes
12.	Tolaram Electronics (P) Ltd. Gujarat	—	Blank Video Cassettes B/W & CTV
13.	Usha Marconi Micro . . . Electronics Ltd. Gurgaon	Lesag HBB GmbH Germany	Packaging of semiconductor devices
14.	Khandelwal Electronics . . International Bombay	DCC Components Ltd. Taiwan	Discrete Semiconductor Devices